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# TOO GOOD TO BE TRUE....

## A Column on Consumer Issues

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### Top Ten Consumer Scams – 2003 – Part 1.

Knowledge is the key to fraud prevention, and a good consumer is always on the lookout for scams. In an effort to keep the public aware of current consumer scams, the Consumer Protection Division recently released the Top 10 consumer fraud complaints filed with its office for 2003. In this week's column we will address first five of the 2003 Top Ten list, in detail.

1. **Telemarketing – Do Not Call Violations:** Telemarketing complaints come from a variety of different categories, including magazine subscription, discount buying clubs, and violations of the state's "Do Not Call" laws. The most frequent violations of the "Do Not Call" law were pre-recorded messages. The majority of pre-recorded message violations involve solicitations for questionable "credit counseling" services. If you receive a pre-recorded message, contact the Consumer Protection Division. If you have been registered on the "Do Not Call" list for 90 days and are still receiving telemarketing calls from a company you have not done business with in the past two years, you can fill out a "Do Not Call" complaint. You may download the complaint form from the website at [www.ag.state.nd.us](http://www.ag.state.nd.us) or call 1-800-472-2600 and request a form be sent to you.
2. **Telecommunications – Billing issues, cramming, and wireless services:** General billing issues were the main source of telephone complaints this year including such problems as inability to cancel service from previous carriers after changing long distance or local exchange carriers; and misrepresentation of cost per minute on long distance services.

The "cramming" complaints generally consisted of consumers who were billed for Internet services they had never authorized and in many cases, never used. In several cases, the consumer was billed for Internet access, even though they did not own a computer.

Wireless complaints included problems with roaming fees when Canadian towers picked up calls so the consumer was charged not only roaming fees, but also international calling fees; rural area service failures; termination penalties when the consumer was charged fees for cancellation of their service during the contract period; and general billing errors.

3. **Mail Order:** Most mail order firms are reputable, but some advertise merchandise they have no intention of delivering, or merchandise that is faulty or of poor quality. If you purchased something from a mail order company

operating out of state, it can be very difficult to get satisfaction if you experience a problem. Before shopping with a company you don't know, you should check with the Better Business Bureau in the state the company is based. You can find other state's Better Business Bureaus at 703-276-0100 or on the web at: [www.bbb.org](http://www.bbb.org).

4. **Motorcycles, Bikes – Recreational Vehicles:** Complaints in this category were generated when a North Dakota company failed to provide titles for recreational vehicles in a timely manner. The consumers had paid for their units and were not able to register the vehicles without the titles. The titles were delivered to the consumers after months of waiting.

5. **Credit Cards/Credit Protection.**

Credit card protection companies offer to keep track of a consumer's credit cards for a fee – which may be hundreds of dollars. If the cards are lost or stolen, the protection company will contact the credit card companies to report the loss. Protection companies also offer emergency cash if cards are lost or stolen when the consumer is away from home.

However, most major credit card issuers offer the same services free of charge and by law, once you report the loss or theft, you have no further liability for unauthorized charges. Even if charges happen before you call, your maximum liability under federal law is \$50 per card.

Credit card companies often require payment of fees in advance, but then fail to approve the credit application. Credit card companies also send credit cards and pre-approved credit card applications to consumers who have not requested them. Both of these practices may lead to problems for the consumer if the consumer is not aware he or she is to receive a credit card and the card is lost or stolen before it reaches them.

Consumers have also been getting offers to obtain credit cards that will help restore their credit. While the consumer may think they are receiving a universal credit card, they actually are getting a card that is only good for purchases from that specific company's catalog.

Next week, the remaining five Top 10 consumer scams for 2002 will be reviewed.

*The Attorney General's Consumer Protection Division investigates allegations of fraud in the marketplace. Investigators also mediate individual complaints against businesses. If you have a consumer problem or question, call the Consumer Protection Division at 328-3404, toll-free at 1-800-472-2600, or 1-800-366-6888 (w/TTY). This article and other consumer information is located on our website at [www.ag.state.nd.us](http://www.ag.state.nd.us).*

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